



WASHINGTON STATE DEPARTMENT OF  
**Natural Resources**  
Doug Sutherland - Commissioner of Public Lands

# PUBLIC AUCTION REAL PROPERTY FOR SALE

## REAL PROPERTY SALE PAMPHLET NO. 38

The following State-owned real property is to be sold at public auction on the date, time, and place specified in the attached Real Property Sale Notice:

<u>County</u>	<u>App. No.</u>	<u>Appraised Value &amp; Minimum Acceptable Bid</u>	<u>Approximate Acres</u>	<u>Property</u>	<u>Auction Date</u>
Kitsap	02-076549	\$840,000	141	Hansville West	November 10, 2004
Kitsap	02-076548	\$1,690,000	149	Hansville South	November 10, 2004
Kitsap	02-053669	\$1,250,000	101	Hansville North	November 10, 2004



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## REAL PROPERTY SALE NOTICE

**Hansville West  
Hansville South  
Hansville North  
All in Kitsap County**

Notice is hereby given that at the time and place listed below the following described property, owned by the State of Washington, and managed by the Department of Natural Resources (the "State") will be offered for sale at public auction to the highest bidder.

### **Property Description:**

Hansville West: The E1/2 of the NW1/4, the SW1/4 of the NW1/4 and the N1/2 of the NE1/4 of the SW1/4 of Section 16, Township 27 North, Range 2 East, Willamette Meridian, Kitsap County, Washington.

Hansville South: The S1/2 of the SW1/4 of the NE1/4, the S1/2 of the NE1/4 of the SW1/4, the NW1/4 of the SE1/4, the SE1/4 of the SE1/4, and the NE1/4 of the SE1/4 except the east 495 feet of the north 1290 feet of said NE1/4 of the SE1/4, of Section 16, Township 27 North, Range 2 East, Willamette Meridian, Kitsap County, Washington.

Hansville North: The N1/2 of the NE1/4 and the N1/2 of the SW1/4 of the NE1/4 of Section 16, Township 27 North, Range 2 East, Willamette Meridian, Kitsap County, Washington.

The parcels are located about 2 miles northwest of Kingston, and are zoned Rural Wooded, or 1 dwelling per 20 acres, with some commercial uses allowed under Conditional Use. Please check with the county for complete zoning information. The level to rolling landscape has a gentle westerly slope, offering potential water and/or Olympic Mountain views from potential home sites. Some utilities are available, including power, telephone and water. The property is about 10 minutes from the Kingston Ferry and 25 minutes to Poulsbo.

Currently, timber on the property is predominately sixty year-old Douglas Fir and mature Alder. DNR has managed the property for timber production and, over the years, has removed timber and replanted parts of the site.

The property is bounded on the north by Little Boston Road, on the south by 288<sup>th</sup> Street, and on the east by Hansville Road.

Hansville West is 141 acres with 7 potential home sites. It can be accessed from Little Boston Road. Minimum bid: \$840,000. Bid deposit: \$42,000.

Hansville South is 149 acres with 7 potential home sites. It can be accessed from Hansville Road and 288<sup>th</sup> Street. Minimum bid: \$1,690,000. Bid deposit: \$84,500.

Hansville North is 101 acres with 5 potential home sites. It can be accessed from both Hansville and Little Boston Roads. Minimum bid: \$1,250,000. Bid deposit: \$62,500.

State property is not subject to real property taxation. After the sale, this property may be subject to a proration of the current year's taxes.

**Sale Location and Time:** Sale will be by oral bid at public auction to be held on:

**Date:** November 10, 2004  
**Time:** 1:00 p.m.  
**Location:** Silverdale Community Center  
9729 Silverdale Way NW  
Silverdale, WA

**Directions: From highway 3 North take the Newberry Hill Road exit and turn right onto Newberry Hill Road, which becomes Silverdale Way NW. Proceed approximately 1 mile to the Silverdale Community Center.**

**Specific terms and conditions of sale:**

Deposits are payable to the Department of Natural Resources and may be made in cash or by certified check, cashier's check, postal money order or by a bid bond guarantee. If a bid bond is used, Purchaser shall pay the cash equivalent to the State within ten (10) business days of the auction date in cash or by certified check, cashier's check, postal money order, or other method acceptable to the department. Bid deposits shall be submitted at the place of auction prior to the start of auction (before 1:00 p.m.) on November 10, 2004. Deposits will be returned to the unsuccessful bidders at the conclusion of the auction. The balance of the purchase price and all other associated costs shall be due to the Department of Natural Resources at its Olympia main office as prescribed in the memorandum of auction.

At the close of bidding, the successful bidder (the Purchaser) is required to execute a Report of Auction of State Lands, which also includes a Memorandum of Auction of Real Estate. A copy of the Report of Auction of State Lands and the Memorandum of Auction of Real Estate are available upon request from the Olympia office.

Closing shall be as soon as practical for the State to issue a quitclaim deed from the Governor's office upon confirmation that the entire purchase price has been paid to the State Treasurer's office. If the Purchaser fails to complete the purchase as required, the State shall retain the bid deposit and any accrued interest, not to exceed five percent (5%) of the purchase price, as liquidated damages for the Purchaser's non-performance.

This information about the parcel offered for sale has been obtained from sources considered reliable, but the State makes no warranties with respect to its accuracy. Please refer to Real Property Sale Pamphlet No. 38 for a general description of bidding procedures and the terms and conditions of sale, both of which are applicable to this sale.

The terms of the sale are also posted in the Olympia and the Enumclaw regional office of the Department of Natural Resources, and in the Kitsap County Auditor's office. For further information, including a copy of the Memorandum of Auction of Real Estate, visit the DNR web site at [www.dnr.wa.gov](http://www.dnr.wa.gov) or contact: Pamela Plancich, Project Assistant at (360) 902-1592. Reference "Hansville Project."

## **GENERAL BIDDING PROCEDURES FOR PUBLIC AUCTION OF STATE LAND**

- \* Each person wishing to bid must deposit with the auctioneer, prior to the time set for the auction, a bid deposit in the amount specified in the Real Property Sale Notice. Bidders wishing to submit bids as agents for purchasers must also furnish, at this time, a power of attorney or other appropriate proof of authority to act on behalf of the purchaser.
- \* The bid deposit must be in the form of cash or certified check, cashier's check, U.S. postal money order or bid bond guarantee acceptable and payable to the Department of Natural Resources.
- \* The bid deposit constitutes an opening bid at the appraised value, which is the minimum acceptable bid. No state-owned real property can be sold for less than its appraised value.
- \* The Washington State Department of Natural Resources ("State") does not engage real estate agents in connection with public auction sales.
- \* Bidding is limited to those who have made the required bid deposit, and for those acting as agents, who have also submitted appropriate proof of authority to so act.
- \* All bidding shall be done orally.
- \* The successful bidder's deposit will be retained on the day of the auction and will be applied to the purchase price upon sale confirmation.
- \* If the volume of sales prevents a sale from being offered on the advertised date, the sale shall continue on the next following business day, between the hours of 10:00 a.m. and 4:00 p.m.
- \* Property is not sold "subject to purchaser obtaining financing." Purchasers must obtain their own financing.
- \* Sale will be awarded to the highest bidder, subject to confirmation by the State under RCW 79.11.175.
- \* Unsuccessful bidders will have their bid deposits returned at the conclusion of the auction sale.
- \* The successful bidder will be required to execute a Report of Auction of State Lands at the time of award of the sale. This document includes a memorandum of sale.
- \* The State reserves the right to cancel the proposed public auction of any parcel of State-owned property at any time prior to the commencement of the auction.
- \* All sales are governed by the terms and conditions contained in this Real Property Sale Pamphlet, the Report of Auction and the Memorandum of Auction of Real Estate. Purchasers become legally obligated to complete their purchases in accordance with these terms upon being awarded the sale by the auctioneer, subject only to confirmation pursuant to RCW 79.11.175.

# GENERAL TERMS AND CONDITIONS OF SALE

## Property, Conveyance and Title Insurance

In the event of a conflict between the terms set forth herein and the memorandum of auction, the memorandum of auction shall control.

- \* The property to be sold is described in the Real Property Sale Notice.
- \* All of the State's interest as lessor or sublessor in any leases, rental, or occupancy agreements covering any portion of the property, and exclusive easements, rights of way, water rights, and other rights used in connection with the property will be conveyed unless the Real Property Sale Notice lists rights that will be reserved.
- \* All property sold is subject to the provisions of RCW 79.36.370 relating to easements for removal of valuable material.
- \* Oils, gases, minerals, etc., as described in RCW 79.11.210, are reserved from sale.
- \* All property is sold subject to all assessments unpaid at time of sale.
- \* All property is sold "**AS IS, WHERE IS.**" Bidders are encouraged to examine the property offered for sale to ascertain for themselves the condition of the property, and the existence, if any, of encumbrances, encroachments, etc. The State does not make, and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, about property offered for sale, including, but not limited to any improvements located thereon, and no employee or agent of the State is authorized otherwise. The foregoing specifically excludes warranties with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste prohibited by law or claims based thereon arising out of the actual or threatened discharge, release, disposal, seepage, migration, or escape of such substances at, from, or into any State land offered for sale. Purchaser shall fully release the State from any and all liability to the Purchaser arising out of or related to the condition of the property prior to closing. Purchaser shall indemnify, defend, and hold harmless the State with respect to, but not limited to any claims, damages, liabilities, penalties (civil and criminal), and any other costs, including attorney's fees and costs imposed or related to any hazardous, toxic, dangerous, or harmful substances on the property, deposited or released after closing.
- \* The State conveys title by quitclaim deed executed by the Governor of the State of Washington. Official delivery of the deed to the Purchaser from the State will be by recording at the Purchaser's expense pursuant to RCW 65.08.095. Purchaser shall also pay the County processing fee for the Real Estate Sale Excise Tax Affidavit. The State shall arrange for the quitclaim deed to be executed by the Governor and recorded upon confirming that the State Treasurer has received the full purchase price and other payments required of the Purchaser.
- \* The State does not furnish title insurance.
- \* Closing shall occur at the department's Olympia office.
- \* Purchaser must also execute any other documents necessary to consummate sale as provided herein.
- \* Each Bidder agrees to execute a license in the form attached prior to entering the Property for inspection purposes.

## Confirmation

- \* The State's obligation to consummate sales is subject to confirmation of sales by the Department as described in RCW 79.11.175.

## Purchase Price and Payment

- \* The purchase price consists of the amount of the winning bid, which will be at or above the appraised fair market value, and other charges as per the Real Property Sales Notice applicable to this sale.
- \* Full payment of the purchase price shall be made in the form and within the time specified in the Real Property Sale Notice.

**Destruction or Condemnation**

- \* If on or before the date set for full payment of the purchase price, the property is either materially damaged, or condemnation proceedings are commenced with respect to the property, the Purchaser shall have the right, at its sole election, by giving notice to the State, either to terminate the purchase or to purchase the property. If Purchaser elects to terminate the purchase, the bid deposit will be returned to the Purchaser and all rights and obligations of the Purchaser and State shall terminate. If the Purchaser elects to purchase the property, insurance proceeds, if any, or condemnation awards payable by reason of the damage or condemnation shall be paid to the Purchaser.

**Notices**

- \* Any notices given by State to the successful bidder shall be in writing and shall be deemed given upon personal service or deposit in the United States first class mail, postage prepaid, addressed to the bidder at the last address furnished by him or her in writing.

**Prorations**

- \* The State will prorate all rents and other income, if any, and irrigation or other water, sewer, utility, maintenance or other expenses with respect to the operation of State property between the Purchaser and the State as of the date of execution of the deed to the property by the Governor, or as of the date on which the department executes the real estate contract for the sale of the property, as the case may be. Prorations are due and payable at the same time as the full payment of the purchase price.

**Real Estate Commissions**

- \* The State does not engage real estate agents in connection with public auction sales. Any real estate agent or broker acting in connection with any sale shall be deemed to be the sole agent of the Purchaser, and the Purchaser shall pay any real estate commission payable in connection therewith.

**Assignment**

- \* No purchaser of State land may assign its purchase rights without the prior written consent and acceptance by the State, which consent and acceptance the State can withhold in its sole and absolute discretion.

**Possession**

- \* The Purchaser of State land is entitled to possession upon execution of the deed by the Governor, subject to any existing leases and rights of persons in possession of the property, unless otherwise noted in the Real Property Sale Notice.

**Miscellaneous**

- \* Venue for any disputes involving auction sales shall be in Thurston County.
- \* The representations, warranties, and obligations of the Purchaser that are intended to be operative on and after conveyance in order to be fully effective shall be so operative and shall be deemed not to have merged in the deed.

This Real Property Sale Pamphlet is issued pursuant to RCW 79.11.130. Bidders may request a copy of the Memorandum of Auction of Real Estate, which contains the complete terms applicable to this sale.

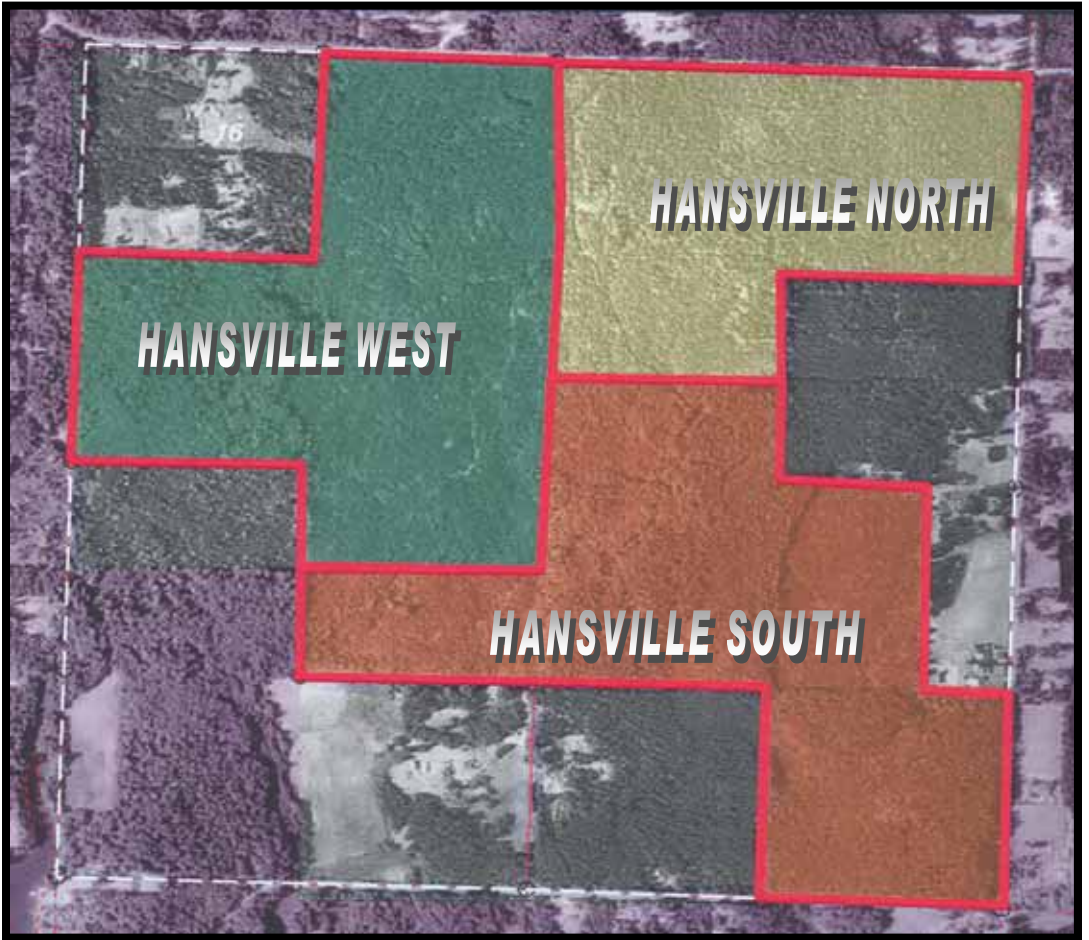
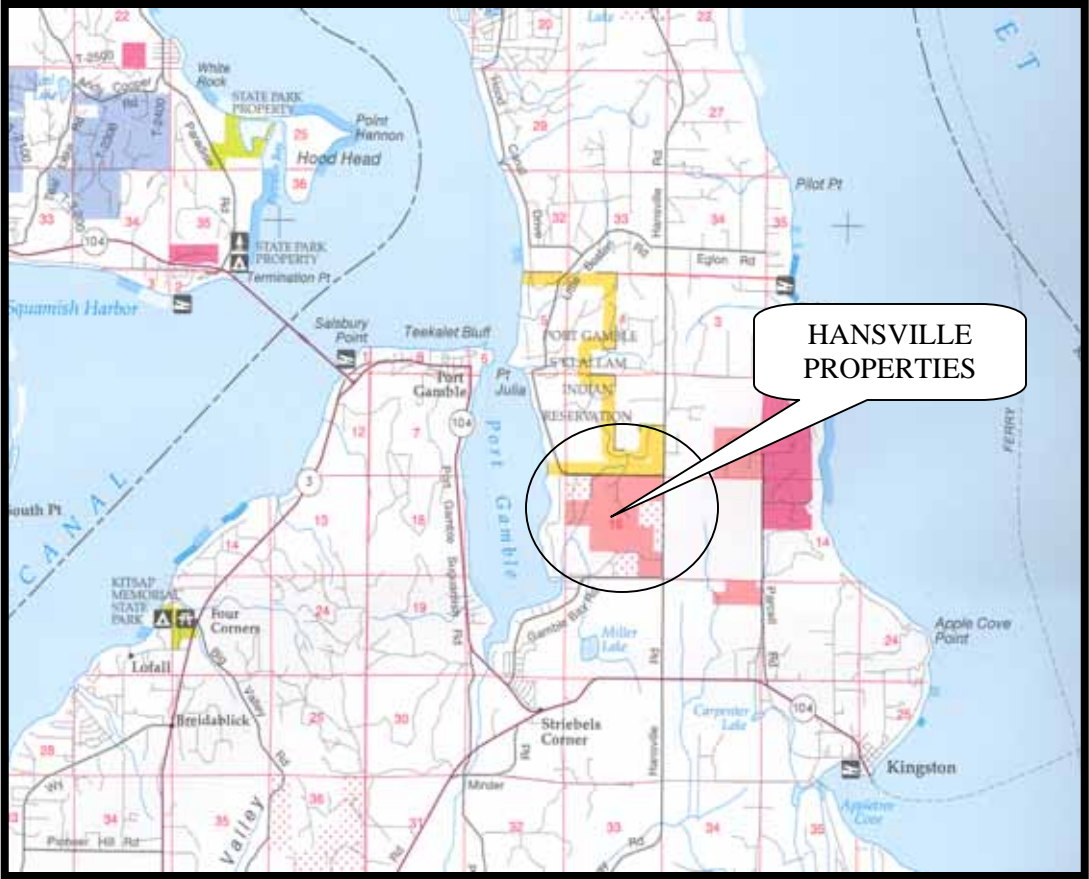
For further information: [www.dnr.wa.gov](http://www.dnr.wa.gov)

Or contact:

Pamela Plancich, Project Assistant  
Department of Natural Resources  
Asset Management & Protection Division  
1111 Washington Street SE  
PO Box 47014  
Olympia, WA 98504-7014  
Phone: (360) 902-1600 Fax: (360) 902-1789  
E-mail: [pam.plancich@wadnr.gov](mailto:pam.plancich@wadnr.gov)  
Reference: Hansville Project



STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES  
STATE TRUST PROPERTY AT HANSVILLE



Section 16, Township 27 North, Range 2 East, W.M.  
Kitsap County

**LIMITED LICENSE TO INSPECT PROPERTY**

In consideration for the State granting \_\_\_\_\_ [name of bidder] (“Bidder”) the legal authority to enter the property legally described in the Real Property Sale Notice for the \_\_\_\_\_ property in \_\_\_\_\_ County hereto (Property) for the purpose of inspecting the Property prior to the auction of the same, the undersigned as principle, or as agent for the principle with full lawful authority to execute this license, agrees to defend, protect, save, and hold harmless the State, its officers, agents, and employees from any and all claims, liens or costs, damages, fees and expenses (including but not limited to attorney's and paralegal's fees, costs and expenses, including costs and fees incurred on appeal and in bankruptcy, as well as consultant's fees and costs) suffered due to the actions of the Bidder and actions of the Bidder's agents or employees in exercising such rights of entry or inspections under this License. The Bidder will be responsible for the payment of any fines or penalties charged against the State or the Bidder, or for any employees or equipment while under the Bidder’s control, employment, or direction. This license limits the inspection rights to visual inspection only; there will not be any invasive testing methods used without additional written authority from the State.

Bidder  
  
\_\_\_\_\_